

RECORDATION NO 27610 FILED

AUG 25 '08

3-49 PM

SURFACE TRANSPORTATION BOARD

FIRST UNION RAIL

One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018

VIA UPS 2nd DAY AIR

August 22, 2008

Ms. Anne K. Quinlan
Surface Transportation Board
395 E Street, S.W., Suite 100
Washington, DC 20024
Attn: Recordation of Railroad Equipment

Re: Memorandum of Lease Agreement

Dear Ms. Quinlan:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) originals and one (1) copy of a Memorandum of Lease Agreement, dated August 7, 2008, a primary document as defined in the Board's Rules for the Recordation of Documents. Please file this Memorandum of Lease as a primary document since a Master Lease has not been filed with the Surface Transportation Board. The names and addresses of the parties to the enclosed document are:

Lessor:	First Union Rail Corporation	Lessee:	Upstate Logistics & Distribution, LLC
	One O'Hare Centre		38 Plantation Court
	6250 River Road, Suite 5000		Spartanburg, SC 29302
	Rosemont, IL 60018		

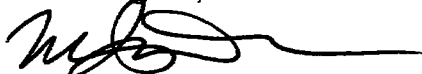
A description of the railroad equipment covered by the enclosed document is three (3) 5851 cu. ft. covered hopper cars; with FURX marks (see Exhibit A for number).

A short summary of the document to appear in the index follows: Memorandum of Lease

Also enclosed is a check in the amount of \$41.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions regarding the above-referenced matter, please contact me at (847) 384-5397. Thank you for your cooperation in this matter.

Best regards,



Marcia Dunne
Sr. Rail Documentation Specialist

Enclosure
(1 P10001)

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ASSGN. NO.: UPLO001

MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD 7th

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 7th day of August, 2008, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Upstate Logistics & Distribution, LLC, a South Carolina corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of August 7th, 2008, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 1 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of August 7th, 2008, and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

By: Richard F. SeymourName: RICHARD F. SEYMOUR
VICE PRESIDENT SALES & MARKETING, INC.

Title: _____

ATTEST:

By: Susan GrokulskaName: SUSAN GROKULSKY
ASST. DIRECTOR OFTitle: DOCUMENTATIONExecuted on this 12th day of August, 2008.

[CORPORATE SEAL]

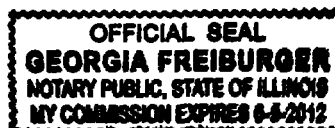
STATE OF ILLINOISCOUNTY OF COOK

I, GEORGIA FREIBURGER, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 12th day of August, 2008.

Notary Public

My Commission Expires:

6-2012
(Notary Public)

LESSEE:

UPSTATE LOGISTICS & DISTRIBUTION, L.L.C

ATTEST:

By: Nicholas L. Buchanan
Name: Nicholas L. Buchanan
Title: Witness

By: [Signature]
Name: RYAN DELANEY
Title: Managing Member

Executed on this 7th day of August, 2008.

[CORPORATE SEAL]

STATE OF SC

COUNTY OF Spartanburg

I, Coleman M. Edmunds, a Notary Public of the County and State aforesaid, certify that Ryan Delaney personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 7th day of August, 2008.

Coleman M. Edmunds
Notary Public

Commission Expires:

6-8-2015
(Notary Public)

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Three (3)

DESCRIPTION OF CARS: 5851 cu. ft. lined Plastic Pellet Covered Hopper Cars with
pneumatic gates and round hatch covers and 286,000 GRL.

CAR NUMBERS: FURX 870016, FURX 870034 and FURX 870070